



November 14, 1997

California
Environmental
Protection
Agency

Integrated
Waste
Management
Board

8800 Cal Center Drive
Sacramento, CA 95826
(916) 255-2200

Mr. Charles A. White, P.E.
Director of Regulatory Affairs
Waste Management/West
WMX Technologies, Inc.
915 L Street, Suite 1430
Sacramento, California 95814

RE: Insurance for Closure and Postclosure Financial Assurances

Dear Mr. White:

Thank you for meeting with my staff and myself to discuss the outcome of the discussions between the California Integrated Waste Management Board's (CIWMB's) Financial Assurances Section (FAS) and the California Department of Insurance (CDI) regarding captive insurers. I assured you during our meeting that I would send you a letter detailing our position.

In my correspondence of July 15, 1997, WMX Technologies, Inc. (WMI) was allowed to temporarily continue utilizing National Guaranty Insurance Company (NGIC) as WMI's provider of closure and postclosure maintenance financial assurances for WMI's California facilities. The allowance to utilize NGIC, as currently demonstrated, was extended only until staff was able to contact and meet with legal counsel from CDI to discuss captive insurers.

Pursuant to our discussions with CDI, and as I related to you in our meeting, this approval of WMI's continued use of NGIC must now be withdrawn. WMI must provide alternate financial assurance demonstrations to the CIWMB for WMI's California facilities within 60 days after receiving today's notice from this office.

If you have any questions regarding this letter, or the financial assurance requirements, please call Garth Adams of the Financial Assurances Section at (916) 255-4063.

Sincerely,

Dorothy Rice
Deputy Director
Permitting and Enforcement Division